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RECORDATION NO. 26481 FILED
AUG 04 '06 12:25 PM
SURFACE TRANSPORTATION BOARD

August 4 2006

New Recordation No.

Dear Mr. Williams:

On behalf of Flex Leasing I, LLC, I submit for filing and recording under 49 U.S.C. § 1131 (a) and the regulations applicable thereunder, executed counterparts of a primary document, not previously recorded, entitled Memorandum of Lease ("Lease") dated as of July 20, 2006.

The parties to the enclosed Lease are:

Flex Leasing I, LLC - LESSOR
Suite 730
221 Main Street
San Francisco, CA 94105

Target Products Ltd. - LESSEE
7550 Conrad Street
Burnaby, BC V5A 2H7
Canada

The said Lease, among other things, acts to lease the equipment listed in Annex A thereto by the Lessor to the Lessee and should be recorded under a new number.

The equipment covered by the instant Lease is as identified in Annex A thereto, namely 2 covered hopper cars, FLOX 983279 and 983283.

A short summary of the Lease to appear in the Surface Transportation Board Index is as follows:

"Lease of two covered hopper cars, FLOX 983279 and FLOX 983283, see Annex A."

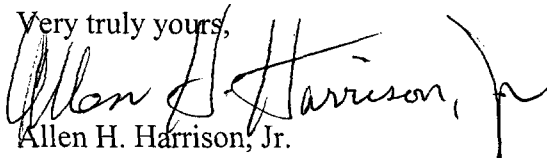
Please enter under this Recordation No. the following cross index reference:

"See Recordation No. 21888-U."

Enclosed is a check in the amount of sixty eight (\$68.00) dollars in payment of filing fee (\$34.00) and the cross-indexing fee (\$34.00)..

Once the filing has been made, please return to bearer the stamped counterpart(s) of the document not required for filing purposes, together with the letter from the Surface Transportation Board acknowledging the filing, and the two extra copies of this letter of transmittal.

Very truly yours,

A handwritten signature in black ink, appearing to read "Allen H. Harrison, Jr.", with a stylized flourish at the end.

Allen H. Harrison, Jr.
Attorney for Flex Leasing I, LLC,
for the purpose of this filing.

Honorable Vernon A. Williams
Secretary
Surface Transportation Board
Washington, DC 20423

Enclosures

BY HAND

8212-020

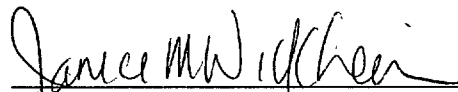
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MEMORANDUM OF LEASE

SURFACE TRANSPORTATION BOARD

FLEX LEASING I, LLC, a Delaware limited liability company ("Lessor"), having its chief executive office at 221 Main Street, Suite 730, San Francisco, California 94105, as successor lessor by assignment from Flex Leasing Corporation, a Delaware corporation ("Flex"), having its chief executive office at 221 Main Street, Suite 730, San Francisco, California 94105, is a party to a certain (unfiled) lease agreement dated as of September 10, 2004 (the "Lease") with **TARGET PRODUCTS LTD.** ("Lessee"), having its chief executive office at 7550 Conrad Street, Burnaby, BC V5A 2H7, Canada, covering the railcars listed on Annex A attached hereto.

Dated as of July 20, 2006**FLEX LEASING I, LLC**

Name: Janice M. Wickham

Title: Vice President

STATE OF NEW YORK)
) ss:
COUNTY OF NEW YORK)

On this 21 day of July, 2006, personally came before me, Janice M. Wickham, who, being by me duly sworn, says she is a Vice President of Flex Leasing I, LLC and that said writing was signed on the date hereof by her on behalf of said company by its authority duly given. The said Vice President acknowledged the execution of the said writing to be the act and deed of said company.

Witness my hand and notarial seal this 21 day of July, 2006.

SEAL



Notary Public

My Commission Expires:

EDWINA SELLAN
Notary Public, State of New York
No. 01SE5050605
Qualified in New York County
Certificate Filed in New York County
Commission Expires October 16, 2009

ANNEX A

Description of Equipment

Two (2) 3,250 C.F. pneumatic unloading covered hopper cars, numbered:

FLOX 983279

FLOX 983283

[Target Products Ltd.]